

## NOTES REGARDING CLARIFICATION OF USE OF HB2060 FUNDS

During the January 27<sup>th</sup> meeting of the HB2060, stakeholders developed a list of options for the use of this funding. Common Ground agreed to seek clarification on using 2060 funding in projects not receiving HTF dollars, default prevention services, first/last/security deposits, mitigation of impact fees, and incentives for inclusionary zoning. To this end, Common Ground contacted Corine Knudsen, Manager of the Housing Finance Unit at CTED and lead staff on 2060 implementation. Corine made the clear caveat that her interpretations were based the intent and language of the legislation, but do not represent a formal legal opinion. If Clark County is interested in a legal opinion, the only way to get one is for a local elected official to make a direct request to the State Attorney General.

Corine stated that the legislative intent and language, regarding 60% local portion, was to create a discretionary source of funds for local governments to direct to their communities housing priorities (and to leverage other funds with the 2060 monies toward those priorities). With the following exceptions, the language leaves room for considerable local discretion

- Limiting the use to housing related investments
- Limiting the use to expenditures that preserve or create housing for people who make 50%AMI or less

Regarding our specific points of clarification:

- The language in the law is a little fuzzy whether there is a requirement that **local 2060 investments** be limited to projects having HTF funds. However, the law is clear about that requirement for the **State portion of the 2060 funds**. The reason for that limit on the State funds was related to tying 2060 operating dollars to capital dollars administered by the State through the HTF process. There is no such link for the local funds.
- It was Corine's view that the intent for local discretion was paramount here. She noted that default prevention services, first/last/security deposits, mitigation of impact fees, and incentives for inclusionary zoning were not uses considered by legislators, staff, and advocates responsible for crafting the bill. However, they were not expressly excluded either.
- Again, Corine felt that intent suggests local discretion may rule here, only the Attorney General could say for sure.

Common Ground  
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